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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 UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2016**

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 unaudited consolidated financial results of Philex Mining Corporation (“Philex”), a major operating associate of the Company, for the three months ended 31 March 2016.

#### **Summary**

On 27 April 2016, the board of directors of Philex approved the release of the unaudited consolidated financial results for the three months ended 31 March 2016. Philex’s unaudited consolidated financial results have been submitted to the Philippine Stock Exchange, Inc. (“PSE”) on 27 April 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 27 April 2016, the board of directors of Philex approved the release of the unaudited consolidated financial results for the three months ended 31 March 2016. Philex’s unaudited consolidated financial results have been submitted to the PSE on 27 April 2016, which have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of HKEX and the Company. The unaudited consolidated financial statements have been prepared in conformity with the Philippine Financial Reporting Standards and are presented in Philippine Peso. Philex’s unaudited Consolidated Statements of Income for the three months ended 31 March 2016 and 2015, as well as the unaudited Consolidated Statement of Financial Position as at 31 March 2016 and audited Consolidated Statement of Financial Position as at 31 December 2015 are provided below:

**PHILEX MINING CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2016 AND 2015**  
*(Amounts in Peso Thousands, except Earnings Per Share which are in Peso)*

	2016	2015
<b>REVENUE</b>		
Gold	1,427,229	1,423,215
Copper	945,738	912,408
Silver	16,773	19,374
Petroleum & others	<u>23,125</u>	<u>37,616</u>
	2,412,865	2,392,613
Less: Smelting charges	<u>210,715</u>	<u>199,511</u>
	<u>2,202,150</u>	<u>2,193,102</u>
<b>COSTS AND EXPENSES</b>		
Mining and milling costs (including depletion and depreciation)	1,423,798	1,542,387
General and administrative expenses	110,446	188,542
Excise taxes and royalties	105,988	113,723
Petroleum and other production costs	19,007	23,795
Handling, hauling and storage	<u>14,496</u>	<u>18,671</u>
	<u>1,673,735</u>	<u>1,887,118</u>
<b>INCOME FROM OPERATIONS</b>	<u>528,415</u>	<u>305,984</u>
<b>OTHER INCOME (CHARGES)</b>		
Foreign exchange gain – net	50,184	13,296
Interest income	1,756	3,305
Gain on disposal of available-for-sale (AFS) financial assets	–	107,088
Interest expense	–	(18,691)
Others – net	<u>31,793</u>	<u>4,919</u>
	<u>83,733</u>	<u>109,917</u>
<b>INCOME BEFORE INCOME TAX</b>	<u>612,148</u>	<u>415,901</u>
<b>PROVISION FOR INCOME TAX</b>	<u>(191,703)</u>	<u>(110,583)</u>
<b>NET INCOME</b>	<u>420,445</u>	<u>305,318</u>
<b>NET INCOME ATTRIBUTABLE TO:</b>		
Equity holders of the Parent Company	426,435	328,542
Non-controlling interests	<u>(5,990)</u>	<u>(23,224)</u>
	<u>420,445</u>	<u>305,318</u>
<b>CORE NET INCOME</b>	<u>388,898</u>	<u>214,479</u>
<b>BASIC EARNINGS PER SHARE</b>	<u>0.0863</u>	<u>0.0665</u>
<b>DILUTED EARNINGS PER SHARE</b>	<u>0.0863</u>	<u>0.0665</u>

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

	<b>31 March 2016 (UNAUDITED)</b>	31 December 2015 (AUDITED)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	879,343	1,008,686
Accounts receivable	711,958	897,479
Inventories	2,190,425	1,886,544
Other current assets	<u>1,487,469</u>	<u>1,478,748</u>
<b>Total Current Assets</b>	<u><b>5,269,195</b></u>	<u>5,271,457</u>
<b>Noncurrent Assets</b>		
Property, plant and equipment	6,760,416	6,828,052
AFS financial assets	106,687	106,687
Investment in an associate	653,408	659,408
Goodwill	1,238,583	1,238,583
Deferred income tax assets – net	5,992	5,992
Deferred exploration costs and other noncurrent assets	<u>29,808,011</u>	<u>29,438,845</u>
<b>Total Noncurrent Assets</b>	<u><b>38,573,097</b></u>	<u>38,277,567</u>
<b>TOTAL ASSETS</b>	<u><b>43,842,292</b></u>	<u>43,549,024</u>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Loans payable	3,109,545	3,317,730
Accounts payable and accrued liabilities	1,324,713	1,448,445
Income tax payable	107,002	13,014
Dividends payable	479,385	479,652
Provisions and subscriptions payable	436,019	456,043
Derivative liability	<u>10,438</u>	<u>–</u>
<b>Total Current Liabilities</b>	<u><b>5,467,102</b></u>	<u>5,714,884</u>
<b>Noncurrent Liabilities</b>		
Loans and bonds payable	6,329,223	6,259,063
Deferred income tax liabilities – net	4,017,438	3,939,160
Pension obligation	21,968	21,968
Provision for losses and mine rehabilitation costs	<u>328,582</u>	<u>330,047</u>
<b>Total Noncurrent Liabilities</b>	<u><b>10,697,211</b></u>	<u>10,550,238</u>
<b>TOTAL LIABILITIES</b>	<u><b>16,164,313</b></u>	<u>16,265,122</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	1,143,448	1,142,722
Retained earnings		
Unappropriated	5,922,706	5,496,271
Appropriated	10,000,000	10,000,000
Net unrealized loss on AFS financial assets	(1,022)	(1,022)
Equity conversion option	1,225,518	1,225,518
Cumulative translation adjustments	97,240	124,334
Net revaluation surplus	1,611,397	1,611,397
Effect of transactions with non-controlling interests	<u>23,164</u>	<u>23,164</u>
	<u><b>24,962,850</b></u>	<u>24,562,783</u>
Non-controlling interests	<u>2,715,129</u>	<u>2,721,119</u>
<b>Total Equity</b>	<u><b>27,677,979</b></u>	<u>27,283,902</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><b>43,842,292</b></u>	<u>43,549,024</u>

## **GENERAL**

Shareholders should note that the above unaudited and 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 27 April 2016.

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

Hong Kong, 27 April 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