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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 2017

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 2017.

Summary

On 26 April 2017, the board of directors of Philex approved the release of the unaudited consolidated financial results for the three months ended 31 March 2017. Philex’s unaudited consolidated financial results have been submitted to the PSE on 26 April 2017, and have also been disclosed as the Company’s Overseas Regulatory Announcement on the websites of 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 Philippine Stock Exchange, Inc. (“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 26 April 2017, the board of directors of Philex approved the release of the unaudited consolidated financial results for the three months ended 31 March 2017. Philex’s unaudited consolidated financial results have been submitted to the PSE on 26 April 2017, which 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. 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 2017 and 2016, as well as the unaudited Consolidated Statement of Financial Position as at 31 March 2017 and audited Consolidated Statement of Financial Position as at 31 December 2016 are provided below:

PHILEX MINING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
FOR THE THREE MONTHS ENDED 31 MARCH 2017 AND 2016
(Amounts in Peso Thousands, except Earnings Per Share which are in Peso)

	2017	2016
REVENUE		
Gold	1,426,069	1,427,229
Copper	1,094,068	945,738
Silver	21,890	16,773
	<u>2,542,027</u>	<u>2,389,740</u>
Less: Smelting charges	206,695	210,715
	<u>2,335,332</u>	<u>2,179,025</u>
COSTS AND EXPENSES		
Production costs (including depletion and depreciation)	1,463,306	1,438,294
General and administrative expenses	93,663	96,911
Excise taxes and royalties	110,597	105,988
	<u>1,667,566</u>	<u>1,641,193</u>
INCOME FROM OPERATIONS	<u>667,766</u>	<u>537,832</u>
OTHER INCOME (CHARGES)		
Foreign exchange gains (losses) – net	(37,255)	57,045
Interest income	236	495
Share in net losses of associates	(6,304)	(6,000)
Others – net	(11,854)	37,739
	<u>(55,177)</u>	<u>89,279</u>
INCOME BEFORE INCOME TAX	<u>612,589</u>	<u>627,111</u>
PROVISION FOR INCOME TAX		
Current	164,820	106,969
Deferred	15,503	84,734
	<u>180,323</u>	<u>191,703</u>
	<u>432,266</u>	<u>435,408</u>
LOSS ON DECONSOLIDATED SUBSIDIARY GROUP, NET OF TAX	–	(14,963)
NET INCOME	<u>432,266</u>	<u>420,445</u>
NET INCOME (LOSS) ATTRIBUTABLE TO:		
Equity holders of the Parent Company	432,266	426,435
Non-controlling interests	–	(5,990)
	<u>432,266</u>	<u>420,445</u>
CORE NET INCOME	<u>458,345</u>	<u>388,898</u>
BASIC EARNINGS PER SHARE	<u>0.0875</u>	<u>0.0863</u>
DILUTED EARNINGS PER SHARE	<u>0.0875</u>	<u>0.0863</u>
CORE NET INCOME PER SHARE	<u>0.0928</u>	<u>0.0787</u>

PHILEX MINING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in Peso Thousands, except Par Value Per Share which is in Peso)

	31 March 2017 (UNAUDITED)	31 December 2016 (AUDITED)
ASSETS		
Current Assets		
Cash and cash equivalents	839,627	457,937
Accounts receivable	452,800	486,497
Inventories	1,941,259	2,318,850
Advances to a related party	2,168,649	2,193,829
Other current assets	1,419,370	1,437,752
Total Current Assets	6,821,705	6,894,865
Noncurrent Assets		
Property, plant and equipment	6,655,686	6,735,578
Deferred exploration costs and other noncurrent assets	23,466,455	23,158,325
Available-for-sale (AFS) financial assets	104,615	104,615
Investment in associates	1,449,571	1,455,876
Pension asset – net	305,664	312,570
Total Noncurrent Assets	31,981,991	31,766,964
TOTAL ASSETS	38,803,696	38,661,829
LIABILITIES AND EQUITY		
Current Liabilities		
Loans payable	2,909,280	3,082,640
Accounts payable and accrued liabilities	1,762,780	1,832,661
Income tax payable	164,863	164,265
Dividends payable	569,369	498,129
Total Current Liabilities	5,406,292	5,577,695
Noncurrent Liabilities		
Deferred income tax liabilities – net	2,966,346	2,957,896
Loans and bonds payable	6,667,987	6,592,854
Provision for losses and mine rehabilitation costs	130,111	134,124
Total Noncurrent Liabilities	9,764,444	9,684,874
Total Liabilities	15,170,736	15,262,569
Equity Attributable to Equity Holders of the Parent Company		
Capital Stock – Peso 1 par value	4,940,399	4,940,399
Additional paid-in capital	1,143,981	1,143,981
Retained earnings		
Unappropriated	4,176,137	4,442,436
Appropriated	10,500,000	10,000,000
Net unrealized loss on AFS financial assets	(3,094)	(3,094)
Equity conversion option	1,225,518	1,225,518
Net revaluation surplus	1,572,385	1,572,385
Effect of transactions with non-controlling interests	77,891	77,892
	23,633,217	23,399,517
Non-controlling interests	(257)	(257)
Total Equity	23,632,960	23,399,260
TOTAL LIABILITIES & EQUITY	38,803,696	38,661,829

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 26 April 2017.

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

Hong Kong, 26 April 2017

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
Ambassador Albert F. del Rosario

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