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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 2014

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 2014.

Summary

On 25 February 2015, the board of directors of Philex approved the release of the audited consolidated financial results for the year ended 31 December 2014. Philex’s audited consolidated financial results have been submitted to the Philippine Stock Exchange, Inc. (“PSE”) on 25 February 2015, 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 25 February 2015, the board of directors of Philex approved the release of the audited consolidated financial results for the year ended 31 December 2014. Philex’s audited consolidated financial results have been submitted to the PSE on 25 February 2015, 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 2014 and 2013, as well as the audited Consolidated Statements of Financial Position as at 31 December 2014 and 2013 are provided below:

PHILEX MINING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME (AUDITED)
FOR THE YEARS ENDED 31 DECEMBER 2014 AND 2013

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

	2014	2013
REVENUE		
Gold	5,889,107	5,581,587
Copper	4,615,092	4,579,757
Silver	78,161	82,063
	<u>10,582,360</u>	<u>10,243,407</u>
Less marketing charges	849,837	659,536
	<u>9,732,523</u>	<u>9,583,871</u>
Petroleum	308,255	191,243
Others	7,462	27,142
	<u>10,048,240</u>	<u>9,802,256</u>
COSTS AND EXPENSES		
Mining and milling costs (including depletion and depreciation)	6,719,928	5,457,881
General and administrative expenses	943,001	1,311,059
Excise taxes and royalties	507,188	536,522
Petroleum production costs	152,982	87,895
Handling, hauling and storage	88,417	69,003
Cost of coal sales	3,282	17,770
	<u>8,414,798</u>	<u>7,480,130</u>
OTHER INCOME (CHARGES)		
Gain on sale of property, plant and equipment	764,685	–
Interest income	16,952	26,060
Foreign exchange losses – net	(56,374)	(173,972)
Interest expense	(354,461)	(416,360)
Reorganization costs	(394,154)	–
Impairment loss on deferred exploration costs and others	(569,926)	(297,585)
Others – net	14,118	(385,217)
	<u>(579,160)</u>	<u>(1,247,074)</u>
INCOME BEFORE INCOME TAX	<u>1,054,282</u>	<u>1,075,052</u>
PROVISION FOR (BENEFIT FROM) INCOME TAX		
Current	421,584	255,703
Deferred	(70,147)	506,954
	<u>351,437</u>	<u>762,657</u>
NET INCOME	<u>702,845</u>	<u>312,395</u>
NET INCOME (LOSS) ATTRIBUTABLE TO:		
Equity holders of the Parent Company	1,005,552	341,932
Non-controlling interests	(302,707)	(29,537)
	<u>702,845</u>	<u>312,395</u>
BASIC EARNINGS PER SHARE	<u>0.204</u>	<u>0.069</u>
DILUTED EARNINGS PER SHARE	<u>0.204</u>	<u>0.069</u>

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

	31 December 2014	31 December 2013
ASSETS		
Current Assets		
Cash and cash equivalents	5,231,892	4,080,512
Accounts receivable	1,055,864	295,451
Inventories	1,858,220	2,668,274
Derivative assets	7,766	-
Other current assets	1,376,741	1,343,245
Total Current Assets	9,530,483	8,387,482
Noncurrent Assets		
Property, plant and equipment	7,138,912	6,880,096
Available-for-sale (AFS) financial assets	906,681	975,380
Goodwill	1,238,583	1,238,583
Deferred income tax assets – net	8,224	11,818
Deferred exploration costs and other noncurrent assets	25,817,465	22,427,186
Total Noncurrent Assets	35,109,865	31,533,063
TOTAL ASSETS	44,640,348	39,920,545
LIABILITIES AND EQUITY		
Current Liabilities		
Loans payable	4,307,720	6,176,369
Accounts payable and accrued liabilities	1,795,755	2,321,301
Income tax payable	47,423	11,519
Dividends payable	488,818	460,650
Provisions and subscriptions payable	883,102	805,108
Total Current Liabilities	7,522,818	9,774,947
Noncurrent Liabilities		
Deferred income tax liabilities – net	3,859,141	3,946,941
Loans and bonds payable	5,947,366	55,014
Pension obligation	43,585	21,598
Provision for losses and mine rehabilitation costs	225,618	204,791
Total Noncurrent Liabilities	10,075,710	4,228,344
TOTAL LIABILITIES	17,598,528	14,003,291
Equity Attributable to Equity Holders of the Parent Company		
Capital stock – 1 Peso par value	4,940,399	4,936,996
Additional paid-in capital	1,117,627	1,058,497
Retained earnings		
Unappropriated	4,712,032	4,128,826
Appropriated	10,000,000	10,000,000
Net unrealized gain (loss) on AFS financial assets	(64,010)	4,689
Equity conversion option	1,225,518	-
Cumulative translation adjustments	37,370	25,116
Net revaluation surplus	1,611,397	1,611,397
Effect of transaction with non-controlling interests	19,084	45,099
	23,599,417	21,810,620
Non-controlling interests	3,442,403	4,106,634
Total Equity	27,041,820	25,917,254
TOTAL LIABILITIES AND EQUITY	44,640,348	39,920,545

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 25 February 2015.

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

Hong Kong, 25 February 2015

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:

Graham L. Pickles
Prof. Edward K.Y. Chen, *GBS, CBE, JP*
Margaret Leung Ko May Yee, *SBS, JP*
Philip Fan Yan Hok