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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 NINE MONTHS ENDED 30 SEPTEMBER 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 unaudited consolidated financial results of Philex Mining Corporation (“Philex”), a major operating associate of the Company, for the nine months ended 30 September 2015.

Summary

On 28 October 2015, the board of directors of Philex approved the release of the unaudited consolidated financial results for the nine months ended 30 September 2015. Philex’s unaudited consolidated financial results have been submitted to the Philippine Stock Exchange, Inc. (“PSE”) on 28 October 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 28 October 2015, the board of directors of Philex approved the release of the unaudited consolidated financial results for the nine months ended 30 September 2015. Philex’s unaudited consolidated financial results have been submitted to the PSE on 28 October 2015, 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 nine months ended 30 September 2015 and 2014, as well as unaudited Consolidated Statement of Financial Position as at 30 September 2015 and audited Consolidated Statement of Financial Position as at 31 December 2014 are provided below:

PHILEX MINING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2015 AND 2014
(Amounts in Peso Thousands, except Earnings Per Share which are in Peso)

	2015	2014
REVENUE		
Gold	4,366,199	4,492,915
Copper	2,751,563	3,548,821
Silver	55,423	60,511
Petroleum & others	118,756	275,528
	<u>7,291,941</u>	<u>8,377,775</u>
Less: Marketing charges	626,760	636,225
	<u>6,665,181</u>	<u>7,741,550</u>
COSTS AND EXPENSES		
Mining and milling costs (including depletion and depreciation)	4,598,200	5,099,531
General and administrative expenses	533,180	737,637
Excise taxes & royalties	344,532	398,346
Petroleum production costs	82,059	122,240
Handling, hauling and storage	54,494	68,587
Cost of coal sales	-	3,282
	<u>5,612,465</u>	<u>6,429,623</u>
OTHER INCOME (CHARGES)		
Gain on sale of AFS financial assets	107,088	-
Gain on sale of assets	-	764,685
Interest income	10,187	12,543
Interest expense	-	(260,629)
Impairment loss on deferred exploration costs	-	(413,197)
Foreign exchange losses – net	(100,135)	(73,207)
Others – net	36,336	24,449
	<u>53,476</u>	<u>54,644</u>
INCOME BEFORE INCOME TAX	1,106,192	1,366,571
PROVISION FOR INCOME TAX	(350,161)	(415,989)
NET INCOME	<u>756,031</u>	<u>950,582</u>
NET INCOME ATTRIBUTABLE TO:		
Equity holders of the Parent Company	851,324	1,204,804
Non-controlling interests	(95,293)	(254,222)
	<u>756,031</u>	<u>950,582</u>
BASIC EARNINGS PER SHARE	<u>0.1723</u>	<u>0.2440</u>
DILUTED EARNINGS PER SHARE	<u>0.1723</u>	<u>0.2440</u>

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

	30 September 2015 (UNAUDITED)	31 December 2014 (AUDITED)
ASSETS		
Current Assets		
Cash and cash equivalents	2,542,731	5,231,892
Accounts receivable	405,299	1,055,864
Inventories	1,657,965	1,858,220
Derivative assets	–	7,766
Other current assets	1,474,833	1,376,741
Total Current Assets	<u>6,080,828</u>	<u>9,530,483</u>
Noncurrent Assets		
Property, plant and equipment – net	7,085,513	7,138,912
Available-for-sale (AFS) financial assets	490,727	906,681
Goodwill	1,238,583	1,238,583
Deferred income tax assets	8,502	8,224
Deferred exploration costs and other noncurrent assets	28,613,420	25,817,465
Total Noncurrent Assets	<u>37,436,745</u>	<u>35,109,865</u>
TOTAL ASSETS	<u>43,517,573</u>	<u>44,640,348</u>
LIABILITIES AND EQUITY		
Current Liabilities		
Loans payable – current	3,481,590	4,307,720
Accounts payable and accrued liabilities	1,502,445	1,795,755
Income tax payable	129,920	47,423
Dividends payable	480,395	488,818
Provisions and subscriptions payables	477,525	883,102
Total Current Liabilities	<u>6,071,875</u>	<u>7,522,818</u>
Noncurrent Liabilities		
Deferred income tax liabilities – net	3,951,689	3,859,141
Bonds payable	6,168,345	5,947,366
Pension obligation	27,529	43,585
Provision for losses and mine rehabilitation costs	356,521	225,618
Total Noncurrent Liabilities	<u>10,504,084</u>	<u>10,075,710</u>
TOTAL LIABILITIES	<u>16,575,959</u>	<u>17,598,528</u>
Equity Attributable to Equity Holders of the Parent Company		
Capital Stock – 1 Peso par value	4,940,399	4,940,399
Additional paid-in capital	1,141,201	1,117,627
Retained earnings		
Unappropriated	5,462,506	4,712,032
Appropriated	10,000,000	10,000,000
Net unrealized loss on AFS financial assets	(289,590)	(64,010)
Equity conversion option	1,225,518	1,225,518
Cumulative translation adjustments	99,570	37,370
Net revaluation surplus	1,611,397	1,611,397
Effect of transactions with non-controlling interests	23,957	19,084
	<u>24,214,958</u>	<u>23,599,417</u>
Non-controlling interests	2,726,656	3,442,403
Total Equity	<u>26,941,614</u>	<u>27,041,820</u>
TOTAL LIABILITIES & EQUITY	<u>43,517,573</u>	<u>44,640,348</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 28 October 2015.

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

Hong Kong, 28 October 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:

Prof. Edward K.Y. Chen, *GBS, CBE, JP*
Margaret Leung Ko May Yee, *SBS, JP*
Philip Fan Yan Hok
Madeleine Lee Suh Shin