

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **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 SIX MONTHS ENDED 30 JUNE 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 unaudited consolidated financial results of Philex Mining Corporation (“Philex”), a major operating associate of the Company, for the six months ended 30 June 2014.

#### **Summary**

On 1 August 2014, the board of directors of Philex approved the release of the unaudited consolidated financial results for the six months ended 30 June 2014. Philex’s unaudited consolidated financial results have been submitted to the Philippine Stock Exchange, Inc. (“PSE”) on 1 August 2014, 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 1 August 2014, the board of directors of Philex approved the release of the unaudited consolidated financial results for the six months ended 30 June 2014. Philex’s unaudited consolidated financial results have been submitted to the PSE on 1 August 2014, 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 six months ended 30 June 2014 and 30 June 2013 and the unaudited Consolidated Statement of Financial Position as at 30 June 2014 and the audited Consolidated Statement of Financial Position as at 31 December 2013 are provided below:

**PHILEX MINING CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2014 AND 2013**

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

	2014	2013
<b>REVENUE</b>		
Gold	3,087,995	2,254,074
Copper	2,452,730	1,800,562
Silver	43,044	34,955
	<u>5,583,769</u>	<u>4,089,591</u>
Less: Marketing charges	424,984	244,208
	<u>5,158,785</u>	<u>3,845,383</u>
Petroleum	195,045	95,290
Coal	2,709	1,031
	<u>5,356,539</u>	<u>3,941,704</u>
<b>COSTS AND EXPENSES</b>		
Mining and milling costs (including depletion and depreciation)	3,514,810	1,778,603
General and administrative expenses	540,032	640,632
Mine products taxes and royalties	280,627	222,992
Petroleum production costs	87,938	52,794
Handling, hauling and storage	41,830	29,687
Cost of coal sales	2,794	792
	<u>4,468,031</u>	<u>2,725,500</u>
<b>INCOME FROM OPERATIONS</b>	<u>888,508</u>	<u>1,216,204</u>
<b>OTHER INCOME (CHARGES)</b>		
Foreign exchange gains (losses)	94,777	(50,735)
Interest income	9,190	11,892
Insurance proceeds	-	1,017,125
Gain on sale of AFS financial assets	-	26,880
Interest expense	(162,614)	(217,032)
Padcal maintenance costs during suspension of operations	-	(439,590)
Others – net	(3,614)	(78,134)
	<u>(62,261)</u>	<u>270,406</u>
<b>INCOME BEFORE INCOME TAX</b>	<u>826,247</u>	<u>1,486,610</u>
<b>PROVISION FOR INCOME TAX</b>	<u>(225,787)</u>	<u>(532,240)</u>
<b>NET INCOME</b>	<u>600,460</u>	<u>954,370</u>
<b>NET INCOME (LOSS) ATTRIBUTABLE TO:</b>		
Equity holders of the Parent Company	626,949	1,074,650
Non-controlling interests	(26,489)	(120,280)
	<u>600,460</u>	<u>954,370</u>
<b>BASIC EARNINGS PER SHARE</b>	<u>0.1270</u>	<u>0.2178</u>
<b>DILUTED EARNINGS PER SHARE</b>	<u>0.1270</u>	<u>0.2178</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>30 June 2014</b>	31 December 2013
	<b>(UNAUDITED)</b>	<b>(AUDITED)</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	2,698,322	4,080,512
Accounts receivable	719,406	295,451
Inventories	2,090,774	2,668,274
Other current assets	1,500,887	1,343,245
<b>Total Current Assets</b>	<b>7,009,389</b>	<b>8,387,482</b>
<b>Noncurrent Assets</b>		
Property, plant and equipment – net	6,957,893	6,880,096
Available-for-sale (AFS) financial assets	1,186,316	975,380
Goodwill	1,208,020	1,208,020
Deferred income tax assets – net	10,195	11,818
Deferred exploration costs and other non-current assets	24,341,019	22,427,186
<b>Total Noncurrent Assets</b>	<b>33,703,443</b>	<b>31,502,500</b>
<b>TOTAL ASSETS</b>	<b>40,712,832</b>	<b>39,889,982</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Loans payable – current	6,897,500	6,176,369
Accounts payable and accrued liabilities	2,074,562	2,321,301
Income tax payable	42,974	11,519
Dividends payable	472,799	460,650
Provisions and subscriptions payables	577,983	805,108
Derivative liability	10,088	–
<b>Total Current Liabilities</b>	<b>10,075,906</b>	<b>9,774,947</b>
<b>Noncurrent Liabilities</b>		
Deferred income tax liabilities – net	3,966,725	3,916,378
Loans payable – net of current portion	–	55,014
Pension obligation	22,477	21,598
Provision for losses and mine rehabilitation costs	204,238	204,791
<b>Total Noncurrent Liabilities</b>	<b>4,193,440</b>	<b>4,197,781</b>
<b>TOTAL LIABILITIES</b>	<b>14,269,346</b>	<b>13,972,728</b>
<b>Equity Attributable to Equity Holders of the Parent Company</b>		
Capital Stock – 1 Peso par value	4,936,996	4,936,996
Additional paid-in capital	1,076,736	1,058,497
Retained earnings		
Unappropriated	4,513,559	4,128,826
Appropriated	10,000,000	10,000,000
Net unrealized gain on AFS financial assets	215,624	4,689
Cumulative translation adjustments	(10,294)	25,116
Net revaluation surplus	1,611,397	1,611,397
Effect of transaction with non-controlling interests	45,099	45,099
	<b>22,389,117</b>	<b>21,810,620</b>
Non-controlling Interests	4,054,369	4,106,634
<b>Total Equity</b>	<b>26,443,486</b>	<b>25,917,254</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>40,712,832</b>	<b>39,889,982</b>

## **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 1 August 2014.

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

Hong Kong, 1 August 2014

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